GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Transport Department – APSRTC – Government Guarantee to Andhra Pradesh State Road Transport Corporation (APSRTC) for availing term loan of Rs. 1000.00 Crore from the Bank of India, Hyderabad for procurement of new buses in APSRTC to replace the buses that have completed their economical life – Orders – Issued.

TRANSPORT, ROADS & BUILDINGS (TR.II) DEPARTMENT

G.O.MS.No. 47 Dated: 12-11-2019

Read the following:

1) G.O.Ms.No. 43, TR&B (Tr.II) Dept, dated 18.10.2019.
2) From the VC & MD, APSRTC, Lr.No.B&F/F2/409(1)/GG/2019-20-FD, dt.06.11.2019.

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ORDER:

In the G.O. first read above, Government have accorded Government Guarantee to Andhra Pradesh State Road Transport Corporation (APSRTC) for availing term loan of Rs.1000.00 Cr (Rupees One Thousand Crore only) from the Scheduled Commercial Banks for procurement of new buses in APSRTC to replace the buses that have completed their economical life, with the following conditions:

(a) The repayment of Loan (both Principal and Interest) shall be done by APSRTC from its internal resources.
(b) Payment of one time commission of 2% of the Loan amount.
(c) The APSRTC shall obtain Loans at competitive rate of interest, preferably at monthly / quarterly / annual MCLR of various banks.

2. In the letter second read above, the VC & MD, APSRTC, Vijayawada, has stated that the Corporation approached the various commercial banks for sanction of term loan of Rs.1000.00 Crs with Govt., Guarantee. Among those, three commercial banks have communicated their expression of interest / sanction including Bank of India, Hyderabad with the lowest rate of interest i.e., @8.30% p.a. (One year MCLR without any spread) for the term loan of Rs.1000.00 Crs with Government Guarantee. The VC & MD, APSRTC, Vijayawada has requested to permit the APSRTC to avail the term loan of Rs.1000.00 Crore at the interest rate of One Year MCLR presently @ 8.30 % p.a., from the Bank of India, Hyderabad with Government Guarantee.

3. Government after careful examination of the matter, hereby permitted the VC & MD, APSRTC, Vijayawada to avail the term loan of Rs.1000.00 Cr by the APSRTC at the interest of one year MCLR presently @ 8.30% P.A from Bank of India, Hyderabad with Government Guarantee, subject to payment of one time commission of 2% of the loan amount and the loan and interest repayment by the Corporation.

4. The Vice Chairman & Managing Director, APSRTC, Vijayawada shall take necessary action accordingly.

5. This orders issues with the concurrence of the Finance (FMU-TRB) vide their U.O.No. Fin 01- BUGT/45/2019 – CDM (C.No.1026380), Dt. 10.11.2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M.T.KRISHNA BABU
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Vice Chairman & Managing Director, APSRTC, Vijayawada.

Copy to:-
The Secretary to Hon'ble Chief Minister.
The P.S to Hon'ble Minister for Transport.
The OSD to Chief Secretary.
The P.S to Principal Secretary, T R&B Dept.
The Finance (C&DM) Dept.
Sf /Sc

// Forwarded by Order //

SECTION OFFICER